



General Assembly

February Session, 2012

Raised Bill No. 181

LCO No. 1082

01082_____LAB

Referred to Committee on Labor and Public Employees

Introduced by:
(LAB)

AN ACT REQUIRING THE STANDARD AND PREVAILING WAGE BE PAID TO CERTAIN EMPLOYEES OF EMPLOYERS WHO RECEIVED FINANCIAL ASSISTANCE FROM STATE ECONOMIC DEVELOPMENT ENTITIES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective January 1, 2013, and applicable to any*
2 *agreement for financial assistance entered into on and after that date*) On and
3 after January 1, 2013, if the state or any agency of the state, including
4 the Department of Economic and Community Development, the
5 Connecticut Development Authority or Connecticut Innovations,
6 Incorporated, provides financial assistance to any business
7 organization, such providing agency shall require, as a condition to
8 receiving financial assistance, that the business organization pay to
9 each employee employed by such organization that provides food,
10 building, property or equipment services, as defined in section 31-57f
11 of the general statutes, wages on an hourly basis greater than or equal
12 to the prevailing rate of wages paid by a required employer, as defined
13 in section 31-57f of the general statutes, to an employee performing
14 such services pursuant to said section. If a business organization that
15 receives financial assistance fails to pay any employee providing such

16 services at a rate greater than or equal to the prevailing rate of wages,
17 as required by this section, the full amount of any financial assistance
18 received and a penalty of five per cent of such amount shall be repaid
19 to the providing agency. For purposes of this section, "financial
20 assistance" includes, but is not limited to, all forms of loans, grants,
21 guarantees and tax abatements.

22 Sec. 2. (NEW) (*Effective January 1, 2013, and applicable to any contract*
23 *for construction, remodeling, refinishing, refurbishing, rehabilitation,*
24 *alteration or repair entered into on and after that date*) (a) On and after
25 January 1, 2013, if the state or any agency of the state, including the
26 Department of Economic and Community Development, the
27 Connecticut Development Authority or Connecticut Innovations,
28 Incorporated, provides financial assistance to any business
29 organization for the construction, remodeling, refinishing,
30 refurbishing, rehabilitation, alteration or repair of any property owned
31 by such business organization, such providing agency shall require, as
32 a condition to receiving financial assistance, that the contract entered
33 into by the business organization for such construction, remodeling,
34 refinishing, refurbishing, rehabilitation, alteration or repair of any
35 property shall contain the following provision: "The wages paid on an
36 hourly basis to any person performing the work of any mechanic,
37 laborer or worker on the work herein contracted to be done and the
38 amount of payment or contribution paid or payable on behalf of each
39 such person to any employee welfare fund, as defined in subsection (i)
40 of section 31-53 of the general statutes, shall be at a rate equal to the
41 rate customary or prevailing for the same work in the same trade or
42 occupation for a public works project constructed in the town in which
43 the property is located. Any contractor who is not obligated by
44 agreement to make payment or contribution on behalf of such persons
45 to any such employee welfare fund shall pay to each mechanic, laborer
46 or worker as part of such person's wages the amount of payment or
47 contribution for such person's classification on each pay day."

48 (b) On and after January 1, 2013, a business organization that (1)

49 received financial assistance from the state or any agency of the state,
 50 (2) entered into a contract for the construction, remodeling, refinishing,
 51 refurbishing, rehabilitation, alteration or repair of any property owned
 52 by such business organization, and (3) did not include the provision
 53 required pursuant to subsection (a) of this section in such contract,
 54 shall repay the full amount of any financial assistance received and a
 55 penalty of five per cent to the providing agency. For purposes of this
 56 section, "financial assistance" includes, but is not limited to, all forms
 57 of loans, grants, guarantees and tax abatements.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>January 1, 2013, and applicable to any agreement for financial assistance entered into on and after that date</i>	New section
Sec. 2	<i>January 1, 2013, and applicable to any contract for construction, remodeling, refinishing, refurbishing, rehabilitation, alteration or repair entered into on and after that date</i>	New section

Statement of Purpose:

To require any business organization receiving financial assistance from a state economic development entity to pay the standard wage to certain employees and require the business organization's contractors to pay the prevailing wage to his or her employees.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]